

**Opening Statement of the Honorable Fred Upton
Chairman, Subcommittee on Energy
“DOE Modernization: Legislation Addressing
Cybersecurity and Emergency Response”
March 14, 2018**

(As prepared for delivery)

Our DOE modernization hearing today will focus on proposed legislation relating to a core energy security mission of the Department. This mission is to ensure the supply and delivery of energy that is vital to our economic and national security, our public health and welfare.

For the past two Congresses we’ve been working to update the Department’s authorities and capabilities both to mitigate against and respond to energy supply emergencies, especially with respect to critical energy infrastructure and to cybersecurity.

For example, we directed the Department to modernize its strategic petroleum reserve and response capabilities; we clarified and enhanced DOE’s role as the sector specific agency for the energy sector, especially for critical electric infrastructure; we moved through the House HR 3050 last summer to strengthen DOE’s support for state energy emergency offices and their cybersecurity efforts.

The common theme here is to update DOE’s cybersecurity and emergency coordinating functions and provision of technical assistance to other agencies, states, and asset owners. So, in keeping with these modernization efforts, the legislation today continues this work.

HR 5174, the Energy Emergency Leadership Act, introduced by Mr. Walberg and Ranking Member Rush, elevates the role in DOE and specifies certain emergency and preparedness functions to ensure full attention to the risks of cybersecurity and other threats to the energy sector.

Given the reliance on energy in modern society, ensuring its supply has become of such surpassing importance, we should be sure the agency has sufficient leadership focus to meet its responsibilities.

Similarly, HR 5175, the Pipeline and LNG Facility Cybersecurity Preparedness Act, which I introduced along with Mr. Loeb sack, would enhance DOE’s ability to

coordinate the interconnected systems of energy delivery and supply, which includes ensuring the security of digital systems in pipeline and grid operations.

Although several governmental authorities play a role, DOE must have adequate visibility across the energy sector, to ensure the federal, state, and asset owners are sufficiently prepared and coordinated, and to efficiently deploy, where needed, its world class technological capabilities. This bill aims to assure this can be done.

Both HR 5239, the Cyber Sense Act of 2018, and HR 5240, the Enhancing Grid Security through Public-Private Partnership Act, have been introduced by Mr. Latta and Mr. McNerney, two leaders on grid innovation. The Cyber Sense bill, a version of which passed the House as part of HR 8 in 2016, seeks to establish a voluntary DOE program that would promote cyber-secure products intended for use in the bulk-power system.

The Enhancing Grid Security bill seeks to facilitate and encourage public-private partnerships aimed at strengthening the physical and cybersecurity of electric utilities, especially mid-sized and small utilities, which may not have the resources to identify and address cybersecurity vulnerabilities and system risks.

Two panels of witnesses this morning will provide perspective on these bills and discuss what other measures may be helpful to ensure DOE can fulfill its energy security and emergency missions.

I'd like to welcome back Under Secretary of Energy Mark Menezes, who returns from his appearance in January. I look forward to his comments and to talk about his own plans to elevate DOE's leadership on emergency response. He is accompanied by Pat Hoffman, Principal Deputy Assistant Secretary in the Office of Electricity, who can provide technical perspective from her experience addressing cybersecurity and energy emergencies.

Our second panel features a range of energy security and emergency perspectives. Our witness from DOE's Idaho National Lab will help us understand federal capabilities to support cybersecurity in the energy sector.

We'll hear from the State of Indiana's emergency response authority; we'll hear from Dominion Energy on pipeline security, from the Edison Electric Institute on electric cybersecurity, and from National Electrical Manufacturers Association, to talk about cybersecurity of grid components.

Welcome, and I look forward to the discussion.
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